



# National Science Foundation

## Cost Analysis and Audit Resolution Branch (CAAR) Indirect Cost Rates (ICR)



### IMPORTANT LINKS:

National Science  
Foundation  
[www.nsf.gov](http://www.nsf.gov)

Division of Institution and  
Award Support  
[www.nsf.gov/bfa/dias](http://www.nsf.gov/bfa/dias)

Policy Office  
[www.nsf.gov/bfa/dias/policy](http://www.nsf.gov/bfa/dias/policy)

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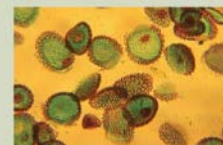
Go to [www.nsf.gov](http://www.nsf.gov)  
for more information.

Use a QR Code reader to  
scan the code below with  
your smartphone to visit the  
Indirect Cost Rate page on  
the NSF CAAR website.



### Overview/Purpose

NSF is committed to ensuring that awardees are able to recover an equitable share of overhead costs resulting from the implementation of NSF-funded awards. Typically, an organization supports the indirect cost amounts included in its proposal budget(s) with a current negotiated ICR agreement (NICRA) issued by its cognizant federal agency.



Unless different arrangements are agreed to by the agencies concerned or rate cognizance has been assigned by OMB, the federal agency with the largest dollar value of awards with an organization will be designated as the cognizant agency for negotiating and approving indirect cost rates.

If an organization does not have a current NICRA, CAAR requires the submission of an ICR proposal ([ICR proposal submission procedures](#)). CAAR uses awardee-submitted ICR proposals to either negotiate NICRAs (with NSF-cognizant organizations) or to make recommendations on the funding of indirect costs either as a specific dollar amount or as an award-specific rate. The rates delineated in a NICRA may be used in proposals/awards issued by other federal agencies; an award-specific rate may only be used for the award for which it was issued and may not be used in other awards issued by NSF or other agencies.

### Timeframe/Roles

Where NSF has issued a NICRA, NSF-cognizant awardees are required to submit ICR proposals within six months after the close of each fiscal year during which the awardee receives federal award funding. After reviewing a proposal and negotiating rates (including pool and base items and exclusions for unallowable costs), CAAR sends the draft agreement to the awardee for its signature. Awardees are expected to return the signed rate agreements to CAAR within 30 days, at which time they are signed and thereby executed by the CAAR Team Lead on behalf of the Federal Government.

### Topics Covered

CAAR reviews ICR proposal packages for compliance with the applicable [federal requirements](#). CAAR also reviews the following documents each time an organization submits an ICR proposal:

- Cover letter
- Organizational profile (or subsequent changes)
- Cost policy statement (or subsequent changes)
- ICR proposal preparation policies and procedures
- Financial statements
- ICR proposal calculations
- Allocation of salaries and wages
- Statement of employee benefits
- Identification of unusual factors that affect the proposed rates
- Listing of all grants and contracts that were active during the fiscal year
- Completed lobbying certificate
- Completed and signed certificate of indirect costs.

For more information: <http://www.nsf.gov/bfa/dias/caar/indirect.jsp>.

### The National Science Foundation

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